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SUBJECT: PM SINGH SIGNALS INDIA'S COMMITMENT TO KEEP ARUNACHAL PRADESH

REF: 07 KOLKATA 376

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¶1. (SBU) Summary: On January 31, barely two weeks after his visit to China, Prime Minister Manmohan Singh went to Arunachal Pradesh, a northeast Indian state bordering China and Bhutan, to signal India's commitment to keeping the territory. He announced development projects to the tune of USD 2.5 billion and sought to boost the morale of Indian soldiers deployed on the border. The Prime Minister avoided mentioning or discussing China, but the unresolved border dispute remains a significant irritant in India-China relations. India has kept the region's infrastructure underdeveloped for decades as a deterrent to invasion. Singh's visit shows an apparent shift in strategy to foster development in an effort to promote territorial defense and greater national integration. His visit to the area so soon after going to China may also be sign that Sino-Indian border negotiations are not going well. End Summary.

¶2. (U) On January 31, Prime Minister Manmohan Singh arrived in the remote Northeast Indian state of Arunachal Pradesh, which shares a 1,030 kilometer, unfenced border with China, for a two-day tour. This is the first Prime Ministerial tour of the state in a decade and notably, comes barely two weeks after his visit to Beijing. At the state capital, Itanagar, Singh announced plans for multiple development projects including an "electricity-for-every-home" scheme, flood relief, connecting Itanagar to the nearest railhead at Harmuti in Assam, a 1,840-kilometer four-lane trans-Arunachal highway connecting all district headquarters in the state, a new airport for Itanagar, and the reopening of four non-operational airports at Tezu, Pasighat, Daporijo and Along. Singh also laid the foundation stone of the National Hydro-Electric Power Corporation's 3,000 megawatt Dibang Multipurpose Project and the North Eastern Electric Power Corporation's 110 megawatt Pare Hydroelectric Project. (Note: Arunachal has five major rivers with the potential to generate 50,000 megawatts of power. End Note.) Overall, Singh's announced projects would total about USD 2.5 billion for the Arunachal Pradesh, which he declared India's "Land of the Rising Sun."

¶3. (U) The Prime Minister also used his visit to boost the morale of the Indian forces deployed on the Indo-China border. Accompanied by Indian Army Chief General Deepak Kapoor and

newly-appointed Arunachal Pradesh Governor and former Army Chief General (Retired) J. J. Singh, the PM stopped in the city of Lohitpur and addressed Army soldiers and Indo-Tibetan Border Police. He announced a grant of USD 150,000 to upgrade the transit facilities at Dehan, Senge, Likabali and Missamari, which are used by military personnel, and a grant of USD 75,000 for setting up satellite telephone service at Subansiri, Siang, Seam, Lohit and Debang valleys. Singh told the soldiers that it was imperative that permanent peace be established in the Northeast, and he lauded the security forces for their service in the region. He expressed confidence that the soldiers would face new challenges fully prepared.

¶4. (U) Subsequently on February 7, the Indian Army also announced plans for the formation of two new mountain divisions, which are intended for rapid offensive operations in the mountainous areas of Arunachal Pradesh and Northeast India. The two new mountain divisions will cost approximately USD 170 million to establish and are expected to have "integral tactical air mobility assets" of medium to heavy lift helicopters.

¶5. (U) Singh was careful, however, to avoid mentioning directly Arunachal Pradesh's neighbor to the north -- China. Known until 1986 as the North East Frontier Agency (NEFA), Arunachal Pradesh was the site of a bitter Indo-China War in 1962 when Chinese troops advanced deep into the state and inflicted heavy casualties on Indian troops. The state is claimed by China and significant portions of its populace feel that the GOI has kept the state intentionally under-developed for decades, preferring to use it as a buffer against Chinese aggression much like the British did during their Raj. The McMahon Line, a Raj-era demarcation now referred to as the Line of Actual Control (LAC), marks the China-India boundary along Arunachal Pradesh. India inherited the border dispute with China from the British, who had hosted a 1914 conference with the Tibetan and Chinese governments that set the border. China has never recognized the McMahon Line and claims 90,000 square kilometers of land in Arunachal - almost the entire state. In 1986, Indian and

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Chinese forces again clashed in Arunachal Pradesh's Sumdorong Chu Valley.

¶6. (U) Singh's failure to mention China in any of his statements, including his address to soldiers guarding the border, prompted the state's Bharatiya Janata Party (BJP) leadership criticized Singh's for a lack of commitment to resolving the boundary issue and for his failure to visit Tawang, a portion of Arunachal Pradesh specifically claimed by China. One local Congress legislator also commented that although it might appear that the Prime Minister allotted USD 2.5 billion to Arunachal, a large part of this amount previously had been earmarked for the state but was not disbursed. However, Singh emphasized in his speeches that the Gandhi-Nehru family had always given the highest importance to Arunachal Pradesh and that he shared their views.

¶7. (SBU) Comment: Singh's trip to Arunachal Pradesh so soon after his visit to China may be an indication that India's border negotiations with China are not going well and that the PM felt the need to shore up India's presence in the state. The visit apparently served several goals, as: 1) a signal that India regards the state as strategic Indian territory; 2) a reminder to China of India's view on where the border stands; and 3) a public promise that the GOI is committed to the people of Arunachal Pradesh by developing the poor infrastructure and economy. The lack of progress on border talks has led to an uneasy stalemate, as both sides remain hesitant to finally settle the dispute and instead, continue cross-border troop "incursions" (reftel). India has left Arunachal Pradesh underdeveloped in the misguided hope of having the mountainous state serve as a natural, physical buffer against the Chinese. However, ethnically and geographically removed from mainland India, Arunachalis may be feeling some growing bonds with China as their awareness of greater development (and economic opportunity) across the border increases. Therefore, Singh's

trip reflects a belated recognition by India that it must pay greater attention to Arunachal Pradesh or potentially face gradually losing the state to China simply through its growing economic attraction.

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